



USDA-NASS

# Montana Crop & Livestock Reporter

survey results summary issued twice monthly by the  
Montana Field Office

Issue: 05-15 Released: August 15, 2005

## HIGHLIGHTS:

August 1 Crop Production  
Cash Rents  
Land Values  
Ag Prices Received  
Farm Production Expenditures  
Farm Computer Use

## August 1 Crop Production

Montana's **all wheat production** is expected to be 1 percent lower than last month's forecast, but 11 percent higher than last year's crop. Based on August 1 conditions, producers expect to harvest 191.6 million bushels of all wheat, up from the 173.2 million bushels harvested last year, but 2.0 million bushels below July's forecast. The area for harvest is expected to be 5.1 million acres, unchanged from last month, but 2 percent above last year. This is the last forecast until the final small grains summary is published on September 30, 2005.

The forecasted **winter wheat** yield, at 45.0 bushels per acre, is up 2 bushels from July, and is 4 bushels per acre higher than last year, and if realized, would be a record harvested yield surpassing the previous record of 42.0 bushels per acre in 1993. Production is forecast to be 92.3 million bushels, up from 66.8 million bushels last year, and up 4.1 million bushels from July. Acreage expected to be harvested is unchanged from the July forecast, but is up 420,000 acres from last year to 2,050,000 acres. For the week ending August 7, winter wheat was 74 percent harvested compared with 34 percent last year and the five-year average of 60 percent.

**Spring wheat** production forecast is 82.5 million bushels, down 7 percent from last year's production. The expected yield of 33.0 bushels per acre is down 2 bushels from last month, but up 2 bushels from last year. Dry and hot conditions during July ripened the spring wheat crop quickly. Acres for harvest are unchanged from July at 2.5 million, but down 350,000 from last year. The crop was rated better than this time last year at 1 percent very poor, 4 percent poor, 16 percent fair, 61 percent good, and 18 percent excellent. Ninety-two percent of the crop was turning for the week ending August 7, compared with 71 percent last year and the 5-year average of 83 percent. Harvest is underway with 15 percent complete compared with 2 percent last year and 13 percent for the five-year average. **Durum wheat** production is forecast to be 16.8 million bushels, down 7 percent from last year, and down 6 percent from July. The expected yield of 30.0

bushels per acre is 2 bushels below last month, and 3 bushels fewer than the 2004 yield. Harvested acres are up 3 percent from 2004 to 560,000.

**Barley** yields are expected to average 60.0 bushels per acre in 2005, 1 bushel better than last year, but unchanged from July. If realized this would be a record high yield surpassing the previous record of 59.0 bushels per acre last year. Barley production is forecast to be 45.0 million bushels compared with 49.0 million produced last year. Growers expect to harvest 750,000 acres, down 80,000 from 2004. For the week ending August 7, barley condition was reported to be 1 percent very poor, 8 percent poor, 26 percent fair, 47 percent good, and 18 percent excellent. Harvest for the week ending August 7 was reported to be 14 percent complete compared with 8 percent last year and 18 percent for the five-year average.

**Oat** producers expect to harvest 2.1 million bushels of grain, 12 percent lower than last year. The 2005 area for harvest is expected to be 40,000 acres, unchanged from 2004. The expected yield of 53.0 bushels is 7 bushels fewer than last year's yield, but unchanged from July. As of August 7, the condition of the oat crop was reported to be 2 percent very poor, 4 percent poor, 17 percent fair, 62 percent good, and 15 percent excellent. Harvest was reported to be 22 percent complete compared with 5 percent last year and 14 percent for the five-year average.

**Sugar beet** production is forecast to be 1.0 million tons, down 8 percent from last year. The expected yield, at 20.7 tons per acre, is down 5 percent from the 21.7 tons per acre last year. Producers are expecting to harvest 50,000 acres, down 2,100 acres from last year. **All dry edible bean** growers expect to harvest 16,500 acres this year, up 30 percent from last year's figure, and up 22 percent from July. Yield is estimated at 24.0 cwt, 1.6 cwt per acre better than the previous year. All dry bean production is expected to be 396,000 cwt, up 39 percent from last year's figure.

**Alfalfa hay** is expected to yield 2.5 tons per acre in 2005, up 0.2 tons per acre from the previous year. Growers plan to harvest 1.7 million acres, up 300,000 acres from last year. Production is expected to reach 4.3 million tons, a 32 percent increase from the 2004 production figure and a new record production if realized. As of August 7, 100 percent of first cutting and 19 percent of second cutting had been completed for alfalfa hay. The average yield for **other hay** is forecast to be 1.6 tons per acre, up 0.2 tons per acre from last year. Production of

other hay is forecast at 2.0 million tons, a 30 percent increase from 2004, and, if realized, will be a new record production. As of August 7, 98 percent of first cutting and 15 percent of second cutting of other hay had been completed.

U.S. **all wheat** production, at 2.17 billion bushels, is down 2 percent from the July forecast but up slightly from 2004. Based on August 1 conditions, the U.S. yield is forecast at 43.0 bushels per acre, down 0.8 bushel from last month and 0.2 bushel below last year.

In the United States, the final **winter wheat** production forecast is 1.52 billion bushels. This is down slightly from last month but 1 percent above 2004. Area harvested for grain totals 34.3 million acres, unchanged from last month but down 1 percent from last year. The U.S. yield is forecast at 44.4 bushels per acre, down 0.1 bushel from last month. Hard Red production is down 1 percent from a month ago to 913 million bushels. Soft Red is up 2 percent from last month and now totals 320 million bushels. White production totals 288 million bushels, up slightly from last month. Of the White production total, 26.4 million bushels are Hard White and 261 million bushels are Soft White. This is the first year that production levels for Hard White and Soft White are available.

U.S. **durum wheat** production is forecast at 93.0 million bushels, down 1 percent from last month but up 3 percent from 2004. The U.S. yield is forecast at 37.9 bushels per acre, 0.5 bushel less than last month. Area harvested for grain is forecast at 2.45 million acres, unchanged from last month but 4 percent more than last year.

For the U.S., **other spring wheat** production is forecast at 553 million bushels, down 6 percent from last month and 3 percent below 2004. Acreage intended for harvest is unchanged from last month. The U.S. yield is forecast at 40.6 bushels per acre, 2.6 bushels less than on July 1. Of the production total, 516 million is Hard Red Spring wheat, down 6 percent from last month.

U.S. **barley** production for 2005 is forecast at 237 million bushels, down 3 percent from the July forecast and 15 percent below 2004. Based on August 1 conditions, producers expect to harvest an average of 68.2 bushels per acre, down 1.8 bushels from July and down 1.2 bushels from last year. Area harvested, at 3.47 million acres, is unchanged from last month but down 14 percent from 2004. (Continued on back page)

## August 1, 2005 Crop Production Forecast, Montana and U.S.

Crop	Unit	Acres Planted		Acres Harvested		Yield		Production	
		2004	2005 1/	2004	2005 1/	2004	2005 1/	2004	2005 1/
		(000) Acres	(000) Acres	(000) Acres	(000) Acres			(000) Units	
Winter Wheat	Bu.	1,900	2,150	1,630	2,050	41.0	45.0	66,830	92,250
Durum Wheat	Bu.	570	570	545	560	33.0	30.0	17,985	16,800
Spring Wheat	Bu.	3,000	2,600	2,850	2,500	31.0	33.0	88,350	82,500
All Wheat	Bu.	5,470	5,320	5,025	5,110	34.5	37.5	173,165	191,550
Corn for Grain 2/	Bu.	70.0	65.0	15.0	16.0	143	5/	2145	5/
Oats	Bu.	105	95	40.0	40.0	60.0	53.0	2,400	2,120
Barley	Bu.	1,000	950	830	750	59.0	60.0	48,970	45,000
Flaxseed	Bu.	20	55	19	53	18.0	5/	342	5/
Dry Beans	Cwt.	13.0	17.0	12.7	16.5	22.4	24.0	285	396
Dry Peas	Cwt.	68.0	135.0	63.0	125.0	20.1	5/	1,266	5/
Lentils	Cwt.	78.0	170.0	72.0	155.0	14.0	5/	1,008	5/
Aus. Winter Peas	Cwt.	12.0	19.0	8.0	13.0	9.0	5/	72	5/
Sugar Beets	Ton	53.7	51.2	52.1	50.0	21.7	20.7	1,131	1,035
Fall Potatoes	Cwt.	10.7	11.0	10.6	10.9	335.0	4/	3,551	4/
Canola	Lbs.	15.0	23.0	15.0	22	1,590	3/	23,850	3/
Safflower	Lbs.	33.5	39.0	31.0	37.0	680	5/	21,080	5/
Alfalfa Hay	Ton	--	--	1,400	1,700	2.30	2.50	3,220	4,250
All Other Hay	Ton	--	--	1,100	1,250	1.40	1.60	1,540	2,000
All Hay	Ton	--	--	2,500	2,950	1.90	2.12	4,760	6,250
UNITED STATES		(000) Acres	(000) Acres	(000) Acres	(000) Acres			(000) Units	
Winter Wheat	Bu.	43,350	41,408	34,462	34,271	43.5	44.4	1,499,434	1,520,848
Durum Wheat	Bu.	2,561	2,573	2,363	2,453	38.0	37.9	89,893	92,955
Spring Wheat	Bu.	13,763	14,099	13,174	13,637	43.2	40.6	568,918	553,375
All Wheat	Bu.	59,674	58,080	49,999	50,361	43.2	43.0	2,158,245	2,167,178
Corn for Grain 2/	Bu.	80,930	81,592	73,632	74,368	148.9	5/	10,923,099	5/
Oats	Bu.	4,085	4,342	1,792	1,976	64.7	64.7	115,935	127,819
Barley	Bu.	4,527	3,970	4,021	3,471	69.4	68.2	279,253	236,729
Flaxseed	Bu.	523	945	516	931	20.3	5/	10,471	5/
Dry Beans	Cwt.	1,354.3	1,668.8	1,219.3	1,530.8	14.6	16.9	17,799	25,829
Dry Peas	Cwt.	530.0	804.0	507.8	772.0	21.6	5/	10,831	5/
Lentils	Cwt.	345.0	450.0	322.0	430.0	12.7	5/	4,084	5/
Aus. Winter Peas	Cwt.	30.5	37.5	21.5	26.5	12.7	5/	272	5/
Sugar Beets	Ton	1,345.9	1,284.6	1,306.9	1,247.8	22.9	21.3	29,956	26,639
Fall Potatoes	Cwt.	1,039.7	970.4	1,022.8	955.7	398	4/	410,023	4/
Canola	Lbs.	865	1,092	828	1,067	1,618	3/	1,339,530	3/
Safflower	Lbs.	175.0	185.0	159.0	173.0	1,105	5/	175,765	5/
Alfalfa Hay	Ton	--	--	21,707	22,118	3.47	3.34	75,383	73,849
All Other Hay	Ton	--	--	40,209	39,605	2.05	1.92	82,391	76,068
All Hay	Ton	--	--	61,916	61,723	2.55	2.43	157,774	149,917

1/ Preliminary. 2/ Planted for all purposes. 3/ Forecast available October 12, 2005. 4/ Forecast available November 11, 2005.

5/ Forecast available January 12, 2006. -- Not published.

## 2005 Cash Rents

The average cash rent for Montana cropland rose slightly from last year to \$25.00 per acre. The average cash rent for irrigated cropland, at \$53.00, increased by \$4.00 per acre from a year ago. The non-irrigated cropland average increased slightly from 2004 to \$19.50 per acre. Average pasture rents increased from \$5.00 in 2004 to \$5.90 per acre in 2005.

Nationally, cash rents per acre paid to landlords for cropland rose 2.0 percent while pasture rents increased 7.3 percent for the 2005 crop and grazing year. Cropland cash rents paid in 2005 averaged \$78.00 per acre, compared with \$76.50 per acre for 2004. Pasture cash rents averaged \$10.30 per acre, 70 cents higher than the \$9.60 per acre in 2004. The increases in cropland and pasture rental rates continue to reflect producers' optimism following the combination of high production and price levels of major U.S. agricultural commodities in 2004.

Cropland cash rents reported in 2005 increased in all regions except the Mountain region, where rental rates declined 50 cents to \$62.00 per acre. The Southern Plains region, at \$30.50 per acre, was unchanged. In the remaining regions, increases in cropland cash rents varied

from 2.4 percent in the Lake States to 7.9 percent in the Southeast region. The Corn Belt and Northern Plains regions, which together accounted for slightly more than one half of cash-rented cropland acreage, increased 2.6 and 6.0 percent, respectively, from 2004. Cropland cash rents increased \$3.00 per acre, to \$117.00, in the Corn Belt and \$3.00 per acre, to \$53.00, in the Northern Plains.

Pasture cash rents declined 10 cents to \$19.00 per acre in the Southeast while the Northeast and Pacific regions were unchanged from a year earlier. In the Northern Plains and Southern Plains regions, which account for two-thirds of the cash-rented pasture acreage, rental rates were up 1.7 percent and 3.7 percent, respectively. Wisconsin, at \$38.00 per acre, continues to lead the Nation with the highest per acre pasture rent.

## Farm Real Estate Values Up

The average value of farm real estate in Montana on January 1, 2005 was \$445 per acre, up \$35.00 from 2004. The average value of cropland rose \$50.00 to \$609 per acre, compared with a year ago. The average value of irrigated cropland was \$1,800, \$120.00 more than a year ago, while non-irrigated cropland gained \$40.00 per acre to \$440 per acre on

January 1, 2005. Pasture values increased \$35.00 to \$320.00 per acre. Montana farm real estate values have been steadily increasing over the past six years.

Farm real estate values in the United States, a measurement of the value of all land and buildings on farms, averaged \$1,510 per acre on January 1, 2005, up 11.0 percent from 2004. This is the largest percentage increase since 1981, when farm real estate values rose 11.1 percent from the previous year. The \$150 per acre increase is the largest dollar increase on record. The previous record was 1980, when values climbed \$109 per acre above the 1979 value.

U.S. cropland and pasture values rose by 11.3 and 9.5 percent, respectively, from January 1, 2004. Cropland values averaged \$1,970 per acre and pasture values averaged \$694 per acre on January 1, 2005, compared with \$1,770 and \$634 per acre, respectively, a year earlier. The value of other land and buildings increased 11.9 percent.

The increase in farm real estate values was driven by a combination of factors, including low interest rates, high commodity production and prices, and strong demand for nonagricultural land uses. (Continued)

## Farm Real Estate Values (continued)

Nationally, survey data indicated that agricultural land with potential for immediate development (expected land use if sold) was valued at more than \$6,050 per acre. The survey also indicated that agricultural land with potential for future development was valued at nearly \$5,400 per acre, about \$1,400 higher than the 2004 indication. Demand for farm real estate as an investment continued to be strong.

Regional increases in the average value of farm real estate ranged from 8.2 percent in the Delta and Southern Plains regions to 13.2 percent in the Northeast and Southeast Regions. The highest farm real estate values were in the Northeast region, where urban influences have pushed the average value to \$4,020 per acre. In the Corn Belt region, farm real estate values rose 10.9 percent, to \$2,550 per acre. The Mountain region, with its expanse of pasture and rangeland, had the lowest farm real estate value, at \$599 per acre.

Cropland values in the Southeast region, at \$2,960, had the highest average increase in cropland value, up \$500 per acre. In the Corn Belt region cropland values rose 12.2 percent, to \$2,750 per acre and the Lake States increased 9.4 percent, to \$2,220 per acre. Together, the Corn Belt and Lake States regions account for nearly

one-third of the U.S. total cropland acres. Pasture values in the Northeast and Appalachian regions had the highest average increase in pasture value, up \$300 per acre. In the Northern Plains, Southern Plains, Mountain, and Pacific regions (17 western states) pasture values per acre respectively increased 16.5 percent, 11.4 percent, 14.6 percent, and 9.8 percent. Together, the 17 western states account for about 87 percent of the total pasture acres on farms in the 48 States.

## June 2005 Ag Prices Received

June full month crop prices were higher when compared with May 2005. Montana's winter wheat average price was \$3.34 per bushel, unchanged from the previous month; spring wheat rose \$0.39 to \$3.69 per bushel; and durum wheat prices increased \$0.13 to \$3.78 per bushel. Feed barley prices dropped \$0.11 from the previous month to \$1.60, but malt barley prices were up \$0.12 to \$3.32 per bushel.

The mid-July price for alfalfa hay decreased \$2.00 to \$75.00 per ton, and all other hay was unchanged at \$67.00 per ton. Mid-July grain prices were mixed with winter wheat averaging \$3.09 per bushel, spring wheat was \$3.89 per bushel, durum wheat was \$3.77 per bushel, and feed barley was \$1.39 per bushel.

Livestock prices for the full month of June were mostly lower than the previous month. Steer and heifer prices dropped \$7.00 to \$106.00 per cwt, cows decreased \$1.80 to \$59.60, and calves fell \$9.00 to \$131.00 per cwt. Sheep prices dropped \$4.70 to \$39.60 per cwt, but lamb prices jumped \$12.00 to a new record high of \$137.00 per cwt. Milk prices decreased \$0.20 per cwt from last month to \$14.80 per cwt. Steer and heifer prices for mid-July were \$103.00 per cwt; cows, \$57.90 per cwt; calves, \$134.00 per cwt; and milk prices, \$14.90 per cwt.

Nationally, prices for June and changes from May were as follows: winter wheat was down \$0.08 to \$3.15; spring wheat was \$3.53, up \$0.16; durum wheat was unchanged at \$3.67; the all barley price was \$2.57, up \$0.11, and steer and heifer prices were \$91.90, down \$4.50 per cwt.

The U.S. mid-July winter wheat price was \$3.20 per bushel; spring wheat was \$3.51 per bushel; durum wheat was \$3.52 per bushel; all wheat was \$3.25 per bushel; malt barley was \$2.60 per bushel; feed barley was \$1.80 per bushel; and all barley was \$2.27. Steer and heifer prices were \$89.60 per cwt; cow prices were \$55.60; calves were \$133.00 per cwt; all hog prices were \$49.30 per cwt; and all egg prices were \$0.53 per dozen.

## United States Index Summary

INDEX (1990-92=100)	June 2004	July 2004	June 2005	July 2005
Prices Received	128	124	120	119
Prices Paid, Interest, Taxes, & Farm Wage Rates 1/	135	135	140	140
Ratio 2/	95	92	86	85

1/ Prices paid indexes (1990-92=100) published monthly. 2/ Ratio of index of prices received by farmers to index of prices paid.

## Montana Average Farm Prices Received

Commodity	UNIT	Monthly Average				Change From Previous		Mid-Month Average	
		Montana			U.S.	Month	Year	Montana	U.S.
		June 2004	May 2005	June 2005	June 2005	May 2005	June 2004	July 15, 2005	July 15, 2005
		Dollars							
Winter Wheat	Bu.	3.50	3.34	3.34	3.15	N.C.	-0.16	3.09	3.20
Durum Wheat	Bu.	4.26	3.65	3.78	3.67	+0.13	-0.48	3.77	3.52
Spring Wheat	Bu.	3.92	3.30	3.69	3.53	+0.39	-0.23	3.89	3.51
All Wheat	Bu.	3.76	3.35	3.57	3.23	+0.22	-0.19	3.58	3.25
Barley, All	Bu.	2.45	2.80	2.91	2.57	+0.11	+0.46	2.96	2.27
Feed Barley	Bu.	2.04	1.71	1.60	2.07	-0.11	-0.44	1.39	1.80
Malt Barley	Bu.	3.11	3.20	3.32	2.88	+0.12	+0.21	N/A	2.60
Oats	Bu.	N.A.	1.92	N.A.	1.91	N.A.	N.A.	N.A.	1.63
Alfalfa Hay	Ton	73.00	76.00	77.00	112.00	+1.00	+4.00	75.00	109.00
All Other Hay	Ton	69.00	73.00	67.00	73.60	-6.00	-2.00	67.00	75.90
All Hay Baled	Ton	73.00	75.00	76.00	102.00	+1.00	+3.00	74.00	99.70
Steers & Heifers	Cwt	112.00	113.00	106.00	91.90	-7.00	-6.00	103.00	89.60
Cows	Cwt	56.20	61.40	59.60	57.00	-1.80	+3.40	57.90	55.60
Beef Cattle 1/	Cwt	93.00	84.10	73.50	88.50	-10.60	-19.50	77.70	86.30
Calves	Cwt	125.00	140.00	131.00	138.00	-9.00	+6.00	134.00	133.00
Sheep 2/	Cwt	33.50	44.30	39.60	40.90	-4.70	+6.10	N.A.	N.A.
Lambs 2/	Cwt	117.00	125.00	137.00	114.00	+12.00	+20.00	N/A	N/A
All Milk	Cwt	19.10	15.00	14.80	14.50	-0.20	-4.30	14.90	14.80

1/ Composite of steers, heifers, and cows. 2/ Mid-month prices for sheep and lambs discontinued.

## August 1 Crop Production (continued from front page)

**Oats** production in the U.S. is forecast at 128 million bushels, 3% below the July 1 forecast but 10% above last year's 116 million bushels. The forecasted yield is 64.7 bushels per acre, down 1.8 bushels from July 1 but unchanged from 2004. Growers expect to harvest 1.98 million acres for grain, unchanged from last month but up 10% from last year.

**U.S. dry edible bean** production is forecast at 25.8 million cwt in 2005, up 45% from last year and 15% above 2 years ago. Production is expected to be above last year in 16 of the 17 producing States. These increases are mostly the result of higher acreage. Eleven of the 17 States also have higher yields than last year.

**Alfalfa and alfalfa mixtures** production for the U.S. is forecast at 73.8 million tons, down 2% from last year. Yields are expected to average 3.34 tons per acre, a decrease of 0.13 ton from last year. Harvested area is forecast at 22.1 million acres, unchanged from June but up 2% from 2004. Yields are the same or below last year's level in 19 States. Across most of the Corn Belt and southern Great Plains, weather conditions throughout the growing season have been less than favorable.

**U.S. other hay** production is forecast at 76.1 million tons, down 8% from 2004. Based on August 1 conditions, yields are expected to average 1.92 tons, down 0.13 ton from last year. Harvested area, at 39.6 million acres, is unchanged from June but down 2% from the previous year. Yields are at or below last year's level in 18 States. Dry conditions across much of the Corn Belt and southern Great Plains have contributed to decreased yield expectations.

**U.S. sugar beets** production for 2005 is forecast to be 26.6 million tons. If realized, this would be 11% below last year's production. Growers in the 12 sugar beet producing states expect to harvest 1.25 million acres, down 1% from the June estimate and down 5% from last year. The yield is forecast at 21.3 tons per acre, 1.6 tons below 2004.

### Farm Production Expenditures

In 2004, farm production expenditures totaled \$210.7 billion in the U.S., up 5.1% from the revised 2003 total of \$200.5 billion. The largest contributors to the increase were tractors and self-propelled farm machinery up 24.3%; fuels, up 19.4%; fertilizer, up 14.0%; feed, up 9.1% and labor up, 5.5%. Farm services and interest were the only expenditure categories to show a decrease being down 2.2 and 4.3%, respectively. The rent expenditure was unchanged from the previous year. The largest two expenditure categories were feed, which accounted for 14.2% of the U.S. total production expenses and farm services which accounted for 12.5% of the U.S. total production expenses. The farm services

category includes expense items such as custom work, utilities, marketing charges, veterinary services, transportation costs, and miscellaneous business expenses.

The average expenditures per U.S. farm in 2004 were \$99,983 compared to \$94,542 as revised for 2003. On the average, U.S. farm operations in 2004 spent \$14,236 on feed; \$12,480 on farm services; \$10,914 on labor; \$9,016 on livestock and poultry purchases; and \$7,782 on rent. Revised estimates for 2003 indicated U.S. farms spent an average of \$12,967 on feed; \$12,684 on farm services; \$10,279 on labor; \$8,723 on livestock and poultry purchases; and \$7,733 on rent.

Expenditures by farm production region in 2004 reveal that total expenditures were up in each region except the West. Expenditures also reveal that taxes, labor, fuels, and tractors and self-propelled farm machinery expenditure categories showed increases in each region, while the other expenditure categories show more variation across regions. The farm production region contributing most to the total 2004 U.S. farm production expenditures was the Midwest, with expenses of \$59.9 billion, 28.4% of the U.S. total. Expenditures in the Midwest were up 6.8% from the 2003 level of \$56.1 billion. In total expenditures, the Midwest was followed by the West, at \$47.7 billion (2003 - \$48.4 billion); Plains, at \$47.5 billion (2003 - \$43.5 billion); Atlantic, at \$32.1 billion (2003 - \$29.6 billion); and South, at \$23.6 billion (2003 - \$23.0 billion).

The U.S. economic class contributing most to the 2004 U.S. farm production expenditures was the \$1,000,000 and Over class, with expenses of \$73.2 billion, 34.7% of the U.S. total. Expenditures in the \$1,000,000 and Over class were up 11.1% from the 2003 level of \$65.9 billion. In total expenditures, the \$1,000,000 and Over class was followed by the \$250,000 - \$499,999 class, at \$31.3 billion (2003 - \$30.1 billion); and \$500,000 - \$999,999 class, at \$29.7 billion (2003 - \$29.4 billion).

Expenditure estimates by type of farm reveal that crop farms, with expenses of \$105.8 billion, contributed 50.2% of the 2004 U.S. farm production expenditures. Expenditures for crop farms were up 2.8% from the revised 2003 level of \$103.0 billion. Livestock Farm expenses of \$104.9 billion were up 7.5% from the revised 2003 level of \$97.6 billion.

### Farm Computer Use

Montana farms and ranches that have Internet access reached 70% in 2005, the second highest percentage in the Nation. The 70% with Internet access in 2005 compares with 63% in 2003, 57% in 2001 and 38% in 1999. Seventy-five percent of farms and ranches had access to a computer in 2005, third highest nationally, compared with 72% two years ago and 71% in 2001. Seventy-three percent of all Montana farms and ranches own or lease a computer, up

from 70% in 2003. Farms and ranches using computers for their agricultural business dropped from 44% in 2003 to 40% in 2005.

Farm computer usage numbers are also published by regions. Montana is included with Arizona, California, Colorado, Idaho, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming. In 2005, 69% of the farms and ranches in this region have access to a computer, 66% own or lease a computer; 36% are using a computer for their agricultural business; and 62% have Internet access. Computer access for crop farms in the region decreased two points to 67%. The percentage of crop farms having Internet access rose 1% to 60%. The percentage of livestock producers in the region that had access to computers increased to 71%, compared with 70% two years ago. Sixty-four percent of the livestock producers in the region have Internet access, compared with 60% in 2003.

A total of 51% of U.S. farms now have Internet access, compared to 48% with Internet access in 2003. Fifty-eight percent of farms have access to a computer in 2005, the same level as 2003. Fifty-five percent of all U.S. farms own or lease a computer, up slightly from 54% in 2003. Farms using computers for their farm business increased 1% from 2003 to 31% in 2005.

In 2005, seventy-nine percent of U.S. farms with sales and government payments of \$250,000 or more have access to a computer, 77% own or lease a computer, 66% are using a computer for their farm business, and 72% have Internet access. For farms with sales and government payments between \$100,000 and \$249,999, the figures are: 69% have access to a computer, 67% own or lease a computer, 51% are using a computer for their farm business, and 59% have Internet access. For farms with sales and government payments between \$10,000 and \$99,999, there were 54% that reported having computer access, 51% own or lease a computer, 33% use a computer for their farm business, and 46% have Internet access.

For crop farms, 60% have computer access and 33% use a computer for their farm business in 2005, the same as 2003. Internet access for crop farms has increased to 52% in 2005 compared to 49% in 2003. For livestock farms, 57% have computer access and 50% have Internet access. The use of a computer for farm business has increased to 29% for livestock farms, up 2% from 2003.

In 2005, twelve percent of the U.S. farms access Federal Government Web sites other than USDA, compared with 11% in 2003. Four percent of farms conduct business with a USDA Web site, up from 3% in 2003. Farms conducting business with any other Federal Government Web site dropped from 5% in 2003 to 3% in 2005. Also, 5% of the farms used a toll-free customer service number during the July 2004 to June 2005 period.

### COMING IN NEXT REPORTER

All Hay County Estimates  
Cattle and Beef Cow County  
Estimates  
Milk Production  
US and Canadian Cattle

Red Meat Production  
Egg Production  
Farm Labor  
Cattle on Feed

Peggy Stringer, Director  
John Hilton, Deputy Director  
10 W. 15th Street, Suite 3100, Helena, Montana 59626  
406-441-1240 or 1-800-835-2612  
www.nass.usda.gov/mt/ nass-mt@nass.usda.gov